H-27—20,000—16-1-40.

P. W (194 1) Department.

hrs SERIES.

G.O. No. 2675

Dated 4. 11- 41

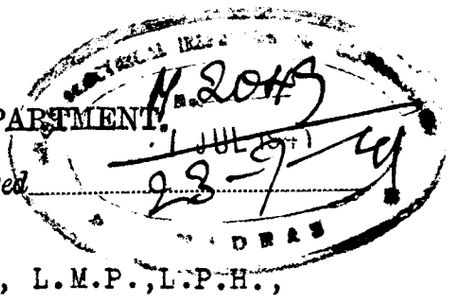
[Despatch Abstract.]

Electricity — Jaipur Electric Licence — Booklet of Conditions, Rates, etc — Annexture B Amendment — Approved

C.F. 32.

In reply, please quote number, date and short title.

Municipal DEPARTMENT.



Received *Registered* 23-7-41

From (Name) Sri. I. V. Gopalarao, L.M.P.,L.P.H.,

(Designation) Municipal Health Officer and Commissioner Delegate,
Post Box ....., (Station) Hospet Municipality Hospet.
Telegraphic Address .....

To The Secretary To Government,
Local Administration Department, Madras.
Through The Chief Electrical Inspector to Government, Madras.
Through The Chairman, Municipal Council, Hospet.

C. *No.* 3645/41-, *dated* 16- 7- 1941.

Sir, El.

* Sub:- Lighting - Electrcity - Security Deposits Consumers - Payment of interest at 3% reduction of rate of interest requested.

Enclosures — One —

Spare Copies

Forwarded
21.7.41
Chairman

In The booklet of rates and conditions of this Municipality, para 8 annexure B, it has been specified as follows:- "The Licensee when so required by the consumer shall pay to the consumer interest at the rate of 3% per annum on every sum of Rs.10/- or over comprised in such security for every complete period of twelve calender months".

2 This Municipality has invested a sum of Rs.1000/- at 3% in Hospet Co-operative Central Bank in four years fixed depasit and two sums of Rs.500/- each at 2% in two years fixed deposit. The investment in the above manner is sanctioned in Council resolution No.415 dated 19-11-37.

3 The scurity deposit paid by consumer is in small sums as Rs.10/- or Rs.20/- and they have to be paid invested in interest bearing securities in sums of Rs.500/- or Rs.1000/-. The interest on consumers deposits accrues from the date of his payment into municipal treasury whereas the interes on such deposits will be realised after certain period only from the date they are invested in fixed deposits in sums of Rs.500/- or Rs.1000/-.

4 In view of the above disadvantages the Council is not abale to pay interest on consumers deposits from the interest realised on the investment of such deposits. Further the Municipal Electrical Department at present is not yet self supporting and as such it has to fall back on General Funds for the payment of interest.

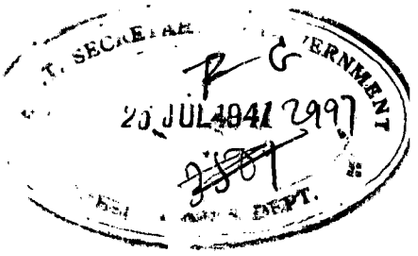
5 Therefore, the matter was placed before the Council at its meeting held on 5-7-1941 and the Council after considering the above difficulties have resolved in its resolution No.144 dated 5-7-1941 to address the Government in the matter. The copy of the Council's resolution is herewith submitted for favour of perusal.

6 I beg to request the Government may be pleased to consider the difficulties stated above and amend the clause in the booklet of rates and conditions suitably to enable the Municipality

2/

to pay interest on consumers deposits from the interest realised on the investment of such deposits. I submit that payment of interest in the above manner will be possible if rate of interest on consumers deposits is fixed at 1½% instead of 3% as it is now existing in the booklet of rates and conditions. In the alternative I request the Government may be pleased to fix the minimum sum of security deposit on which interest is payable as Rs.30 as done in the case of Madura Municipality in G.O.No.1250, dated 26th June 1941 (Public Works Department (Electricity) instead of Rs.10/- as now fixed in the Booklet of rates and conditions.

Commissioner Delegate.



Office of the
Chief Electrical Inspector to Government,
Chepauk, Madras.

Endorsement No.M-29-B-1202 dated 24th July 1941.

Forwarded to the Secretary to Government, P.W.D.

2. The proposals submitted by the Commissioner, are not acceptable. Clause 8 of Annexure B. of the Council's booklet is not as per the latest practice. I consider this opportunity should be taken to amend this clause in line with clause 8 of Annexure B approved in G.O.No.514 dated 14th March 1938 and thereafter amended in P.W.D. Memorandum No.1586-E/41-3 dated 28th June 1941.

3. The Council may be directed to follow up the instructions issued in G.O.No.1250 P.W.D.(Electricity) dated 26th June 1937 and G.O.No.1407 L.A.D. dated 5-4-39 while investing these amounts.

for Chief Electrical Inspector
to Government.

To The Secretary to Government, Public Works Department,
Fort St.George.

3

Copy of Council resolution No.144 dated 5-7-1941.

P16 9 (H)

Read the following from Para 8 of Annexture B of the Book-let of rates and condtions 'The licensee when so required by the consumer shall pay to the consumer interest at the rate of 3% per annum on every sum of Rs.10/- or over comprised in such security for every complete period of twelve calender months'.

District Inspector's of Local Fund Accounts remarks thereon stating that the booklet of conditions and the clause in the agreement would need modification as the Council is not able to pay at 3% to the consumers from the interest fetched from the investments.

Resolution:- Address the Government.

Sd. M. V. Swamy,
Chairman, M.C.

(True copy)

Commissioner Delegate.

21/7/41

P. W. Deptt

Memo. no. 2997 G/41-2 dt. 9-8-41

Electricity - Hospet Electric licensees' security deposits - Interest - Reduction.

Ref:- Letter from the Commissioner Hospet mnlty c no. 3645/41 E1 dt. 16-7-41

The Commissioner,

Hospet municipality is informed that the rate of interest fixed viz 3% per annum is its standard rate and that the payment of interest on the consumers' security deposits at this rate is ~~should be regarded as~~ a necessary expenditure to be borne by the revenues of the undertaking. ~~Therefore, interest at 3% should be paid by the consumers on their deposits~~ irrespective of the rate of interest realised by the mnl. cl.. In the circumstances, the proposal to reduce the rate of interest to 1½% per annum cannot be approved.

2. The proposal of

the rule-cl. to pay interest on deposits of Rs. 30/- and above only also cannot be approved. Interest should be paid on all sums deposited by consumers as per the latest practice. The following may be substituted for para 8 of Annexure B of the booklet. ~~for the purpose~~.

para 8 of 1

p 16 of (H)

8. The consumer shall on being thereunto required by the licensee deposit with him the sum of Rs. as security for the purpose next hereinafter mentioned, and shall on the like requisition from time to time renew or replenish such security in the event of the same becoming exhausted or insufficient. The licensee shall be at liberty at any time and from time to time to appropriate and apply any security so deposited as aforesaid in or towards payment or satisfaction of all or any moneys which shall become due or owing by the consumer to the licensee in respect of the supply of energy or otherwise under this agreement but the provisions in this clause contained shall not prejudice any other remedy to which the licensee may be entitled for the recovery of such moneys. The licensee ~~when so required by the consumer~~ shall pay to the consumer interest at the rate of 3 per cent per annum on ~~every sums of Rs. 10 or over comprised in~~ all deposits as security for every complete period of twelve calendar months during which the same shall remain on deposit with the licensee, and the said premises shall be connected with the licensee's distributing main.

100 (IV)

1,29 [illegible]

or at such other rate as may be approved by the Provincial govt. from time to time.

3. The rule-cl. may utilise the consumers' security deposits for works of its electrical undertakings, if necessary, ~~as~~ instructed in G.O. 1250 P.W.D. 5726-6-37. If not required for its electrical works the the consumers' security ~~deposits~~ may be invested in securities mentioned in item (i) clause (2) of para 4 of G.O. deposits in any of the banks mentioned in item (iii) of clause (2)

The investment may also be in Defence Savings Certificates or in the Govt. of India 3% Defence loan 1949-52.

no. 1407 L.A.D. 7/5-4 59.) In the absence any special reason for investing otherwise preference may should be given to the Madras Govt. securities.

4. The commissioner is ~~requested to~~ should advise the mdt. to accept the amendment suggested in para 2 above and to obtain and submit a copy of its resolution accordingly.

The Commr., Hospet mdly through CRC.

Copy to the Ch. S.A (w.r.t his Endt. no. M 29-B-1202) 7/24-7-41.

29/7. 29/7

30.7.41

41

4

8

p 2

11/7/8/41

C.F. 32.

In reply, please quote number, date and short title.

Municipal DEPARTMENT.

9
RETURN TO GOVT.
G
24 SEP 1941
4002
PUBLIC WORKS DEPT.

Received *Registered*

From (Name) Sri.P.B.Dutt, A.H.W.C.(Edin) A.M.I.E.E.(Lond)

(Designation) Commissioner delegate, Hospet Municipality,

Post Box ....., (STATION) Hospet.

Telegraphic Address .....

To

The Secretary to Government,
Public Works Department, MADRAS.

Thro' The Chairman, Municipal Council, HOSPET.

C. *No.* 3645/41 *Dated* 16 - 9 - 1941.

Sir,

* Sub:- Electricity - Hospet Electric licence consumers - Security deposit - interest reduction.

Ref:-Government Memorandum No.2997 G/41-2 dated 9th August 1941.

I beg to report to the Government that the Government Memorandum referred above has gone before the Council for its consideration and further correspondence in the matter will be taken up after the Council resolution is obtained in the matter at its meeting to be held in September 1941.

Sd.P.B.Dutt,
Commissioner delegate.

(True copy)

Commissioner 17/9/41

S.B.17.9.

17/9/41

P.W.Dept

A.R. Will 25-10-41

24/9 24/9

11

C.F. 30.

MUNICIPAL **DEPARTMENT.**

Received ..... 19 . *Registered* 27 OCT 1941 19 .

4542

Subject.

Electricity Hospet - Electric licence - Consumer's security deposits - interest reduction.

ENCLOSURES.
No. one
Spare copies

C. No. 3645/41-El

Station HOSPET, *Dated the* 24 - 10 - 1941.

From (Name) Sri.I.Raja Rao Naidu,
(Designation) Commissioner, Hospet Municipality,
HOSPET

To The Secretary to the Government of Madras,
Public Works Department.
MADRAS

Through,

Sir,

The Chairman,
Municipal Council,
HOSPET.

Ref:-Government Memorandum No.2997 G/41-2 dated 9th August 1941.

I beg to submit to the Government, that the Council in its Resolution No.362 dated 14-10-41 have accepted the amendment suggested by the Government in their memorandum No.2997 G/41-42, para 2. A copy of the Council resolution is also submitted as an enclosure.

Four copies of the amendment slips for paragraph 6 of Annexure F of the Booklet will be submitted as soon as they are got printed.

I Raja Rao
Commissioner.

S.F.24.10.

Forwarded
M Rao
25.10.41

24/10/41

13

Copy of the Council resolution No.362 dated 14-10-41.

Read:-Council resolution No.144 dated 5-7-1941 regarding the interest payable on the security deposit of Electricity consumers.

(2)Read Government Memorandum No.2997 G/41-2 dated 9th August 1941 received thereon.

Resolution:-The amendment suggested in para 2 of the Government memorandum 2997 /41-42 is accepted.

Sd.M.V.Swamy
Chairman, M.C.

opy)

S.B.24.10.

Commissioner.

24/10/41

P. W. Deptt

Electricity - Hospet Electric licence - consumers' security deposits - Interest - Reduction.

C no. 2997 G/41 dt 25-7-41 From the Commr, Hospet mnlty. C no. 3645/41 E 1 dt 16-7-41

From the Ch. E. I. G. Endr. no. M29-B. 1202 dt 24-1-42

To AS.

Please see the letter from the commissioner Hospet municipality on pp 1-2 and the remarks of the Ch-E. I. G. on p 2 of c-f.

2 The mn. cl. represents that it is not realising 3% interest on all the amounts of the consumer's security deposits invested. It therefore requests that the rate of interest payable to consumers on their security deposits may be reduced from 3% to 1½% per annum so as to enable the mn. cl. to meet the interest charges on security deposits from the interest realised on the investment. Alternatively it requests that interest may be made payable on deposits of Rs. 30/ and above only and not on Rs. 10/ and above as at present.

3 The Ch-E. I. G. does not recommend the grant of the request. The

suggests that clause 8 of Annexure B of the rul-cl's booklet may be amended in accordance with clause 8 of Annexure B approved in G.O. no. 514 P.W.D dt 14-3-38 as amended in Memo no. 1586 E/41-3 dt 28-6-41 so as to make interest payable on all sums deposited.

p 16 of (H)

para 2 of 1 p 100 (N)

pp 2 & 3 of 1 C.f. & Circ.

4. The Govt. have already held in the case of Anantapur mdty. that 3% is a standard rate of interest and that consumers should be paid interest at that rate irrespective of the rate of interest realised by the licensee, since the interest charges on security deposits should be considered to be a necessary expenditure to be borne by the revenues of the undertaking. With reference to M on p 2 c.f. it is submitted that according to the amendment approved in G.O. no. 1250 P.W.S dt 26-6-37 the Madras mdl-cl-has to pay interest on all sums deposited and not on Rs. 30/- and above only as stated by the mdl-cl.

[illegible] in G.O. [illegible] in [illegible]

Vide Hon p 2 (X)

In the above circumstances the proposal of the mdl-cl may be negatived and the suggestion of the Ch. E. I. G. to amend clause 8 of Annexure B of the booklet may be put to the

p 16 of (H)

mul-cl. for adoption. The suggestion of the cl. 2 (a) in para 3 of his remarks on p 2 c.f. may also be put to the mul-cl.

A draft memo is put up. L.A.D may see before issue.

29/7. 29/7

30.7.41

S

Para 3. First sentence. Wis not necy to say that the money can be used for works of the electrical undertakings. They have not asked this.
Second sentence. The money may be invested in Govt of India bonds. See memo in another file.

30.7.41

To AS.

With reference to 'A' above, ~~the first sentence of para 3 may be omitted. of this draft is suitably modified~~.

As regards 'B' above it is submitted that the memo. referred to is apparently the draft put up in the case of Masulipatam mul-cl. In that case this dept. proposed to permit the mul-cl. to invest consumers' security deposits in Defence savings Certificates

+ 15

and not in Defence of India Bonds. But the Fin dept. Power suggested in it that the deposits may also be invested in the Govt. of India 3% Defence loan 1949-52. This question is dealt with in the linked file.

For orders.

3/8 1/8

The investment in any of the defence loans may be allowed.

The draft as altered may issue after perusal by L.A.D.

J. 8.41

4. 8.

L.A.

P.W.D. no. 2997G/41-1
4-8-41

SECRETARY TO GOVERNMENT
22098
4 AUG 1941
PUBLIC ADMINISTRATION DEPT.

KW 5/8

P. 6/8

(Dept.

May be permitted and the file may be returned to PWD.

KW 5/8

KW 8/8

Issue
J. 8.41

PWD no. Thought B2

6.8.41

L. A. no 22098-1-e
8-8-1941.

ASST. SECRETARY
4 AUG 1941
2269

[Issued as Memo. no. 2997G/41-2 dt 9-8-41]

From the Commr., Hospet municipality

C. no. 3645/41-E, dt 24-10-41

To AE

Please see the letter from the Commissioner, Hospet municipality in pllc. f.

The mul-cl. has accepted the amendment to para 8 of Annexure B to the booklet suggested in Memo. no. 2997G/41-2 dt 9-8-41. The amendment may now be approved.

A draft order is put up. L.A.D may see before issue.

29/10 29/10 30.10.41

L.A.

P.W.D. no. 2997G/41-3
30-10-41

L. A. Deptt
C.A. Section

The draft order may be perused and the Case returned to P.W.D.

RL
31.X.41

1-11-41
P.W.D

Issue

SECRETARY TO GOVERNMENT
31 OCT 1941
LOCAL ADMINISTRATION DEPT.

L'Memo. 31718-1/41
1-11-41

SECRETARY TO GOVERNMENT
-3.NOV.941
4681

C.F. 16.

P. W. Dept

DRAFT FOR APPROVAL.

Initials.

SUBJECT :—

When received for fair copying ..

When copied ..

When examined..

When signed ..

When despatched.

Electricity - Hospet Electric licence - Booklet of Conditions, Rates etc. - Annexure B - Amendment - Approved.

READ AGAIN _____, dated _____ 19____

" " _____ " _____ 19____

READ *ALSO* :—

No. 29976/41-2 From the Commissioner, Hospet Mly. No. 3645/41-E1, dated 16-7-1941

" _____ " Ch. E. I. G. Endt., M29B-1202, 24-7-1941

" _____ " To The Comm. Hospet Mly. Memo no. 29976/41-2 dt 9-8-41
From — Do. — Memo no. 3645/41-E1 dt 24-10-41

Order ~~Resolution~~ Ms. No. 2675 dated 4-11- 19 41

The following amendment to the booklet of conditions, Rates etc of the Hospet electric licence is approved.

Annexure B — Form of Agreement

Para 8: Substitute the following for the existing para

[H. E. the portion marked X on p 6 c. f.]

2. The Commissioner is requested to send to the Govt four copies of the printed correction slips as early

as possible

29/10 29/10 30/10/67

To

The Commissioner, Hospet municipality through CM.

The Ch. E. O. G.

The C. E. (Elecy)

Copy for file

Government of Kerala.

Received.....1941. Registered.....1941.

Abstract.

Electricity - Hospet Electric Licence- Booklet of conditions, rates etc. - for clause B - Amendment - Approved.

Public Works Department.

G.O.(Ms.) No. 2875 dated 4th November 1941.

Read :-

1. From the Commissioner, Hospet Municipality, C.No.1648/4161. dated 16th July 1941.
2. From the Chief Electrical Inspector-in to Government, Memo. No.2078. dated 22nd July 1941.
3. From the Commissioner, Hospet Municipality Memo No. 29970/A1-2, dated 4th October 1941.
4. From the Commissioner, Hospet Municipality, Cn0.3648/41-A, dated 8th October 1941.

ORDER.

The following amendments to the booklet of conditions, rates, etc. of the Hospet Electric licence is approved.

Amendment B - Form of agreement.

Paragraph 8. Substitute the following for the existing paragraph.

8. The consumer shall on being thereto required by the Licensee deposit with him a sum of Rs. as security for the punctual payment of the charges hereinafter mentioned, and shall on the like requisition from time to time renew or replenish such security in the event of the same becoming exhausted or insufficient. The licensee shall be at liberty at any time and from time to time to appropriate and apply any security so deposited as aforesaid in or towards payment or satisfaction of all or any moneys which shall become due or owing by the consumer to the licensee in respect of the supply of energy or otherwise under this agreement but the provisions in this clause shall not prejudice any other remedy to which the licensee may be entitled for the recovery of such moneys. The licensee shall pay to the consumer interest at the rate of 3 per cent per annum or such other rate as may be approved by the Provincial Government from time to time on all sums deposited as security for every complete period of twelve calendar months during which the same shall remain on deposit with the licensee, and the said premises shall be connected with the licensee's distributing main.

2. The Commissioner is requested to send to the Government four copies of the printed correction slips as early as possible.

(By order of His Excellency the Governor)

D.D. Warren,
Secretary to Government.

To the Commissioner, Hospet Municipality through the Chairman, Municipal Council.
The Chief Electrical Inspector to Government.
The Chief Engineer for Electricity.

(True Copy)
Forwarded

(By order)

Superintendent.

C.F. 30.

MUNICIPAL **DEPARTMENT.**

Received ..... 19 . *Registered* 4718 19

-5 NOV 1941

Subject.

Electricity - Hospet Electric Licensee - consumers security deposits - interest - Reduction.

ENCLOSURES.
No. four printed correction slips -
Spare copies .....

C. No. 3645/41-E1

Station HOSPET, *Dated the* 31-10- 19 41.

From (Name) Sri.I.Raja Rao Naidu.

(Designation) Commissioner, Hospet Municipality,

HOSPET.

To The Secretary to the Government of Madras,

PUBLIC WORKS Department.

Through, MADRAS.

Sir, The Chairman,
Municipal Council,
HOSPET.

-Government Memorandum No.2997 G/41-2 dated 9th August 1941.

I beg to submit herewith four copies of printed correction slips to the Booklet of rates and conditions as amended in para 2 of the above Government Memorandum and approved in Council resolution No.362 dated 14-10-41 . The receipt of the same may kindly be acknowledged.

Forwarded
1.11.41

I/c Maja Rao 1.11.41
Commissioner.

S.E.1.11.

copy to Chief Electrical Inspector to Government Triplicane Madras with four copies of correction slips.

2

P. W. Deptt

31/7/41

Memo. no. 4718 G/41-1 dt 7-11-41.

Hospet Electric licence - Booklet of conditions, Rates etc - Annexure B - Para 8 - Amendment - Printed correction slips - Acknowledged

Ref:- Letter from the Comm Hospet mcplty - Cno. 3645/41-E1. dt 31-10

The Commissioner, Hospet municipality is informed that the printed correction slips sent with the above letter have been received

2 He is informed that future printed corrections slips should not be issued before the amendments are finally approved by Govt.

6/11 6/11

6/11 9.11.41

To

The Commissioner, Hospet municipality through CMC)

28/8/41

Note:- The booklets have been corrected. This may be filed with G.O. no. 2675 P.W.D dt 4-11-

6/11 6/11

Vide plbf (H)

(T)